THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir. The Government has no such information.

(b) The increase in the Direct tax-GDP ratio over the last four years from 3.8% to 6.7% is indicative of the fact that the rich are being taxed more. Further, the corporate sector's contribution to direct tax revenues has also been rising steadily and this points to the fact that the profits in the corporate sector are being taxed properly. These fiscal indicators reflect the steps taken by the Government to reduce the gap.

Increase in per capita income and prices of retail goods

†4207. SHRI JANESHWAR MISHRA:

SHRI BRIJ BHUSHAN TIWARI:

SHRI BHAGWATI SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that as per Government data, per capita income has increased by 22 per cent during the current financial year 2006-07 but prices of retail goods have increased by more than 35 per cent;

(b) if so, whether it is also a fact that this price increase in essential commodities has led to more amount having to be spent than per capita income;

(c) if so, whether Government is going to take any effective steps to check increase in prices; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (d) As per the Quick Estimates of the Cental Statistical Organisation the per capita income at 1999-2000 prices registered an increase of 8.1 per cent in 2006-07 over 2005-06. The rate of growth of per capita income at current prices during this period was 14.2 per cent. This yields an inflation rate of 5.6 per cent at aggregate level.

The Government has undertaken a number of steps to check inflation. This includes maintaining strict fiscal discipline, rationalisation of excise and import duties on essential commodities, effective supply-demand management of essential commodities through liberal tariff and trade policies and procurement by public agencies. The Reserve Bank of India through appropriate monetary policy measures complements Government's efforts to check inflation.

Investment in urban infrastructure

4208. SHRI SANJAY RAUT: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the country needs more than Rs. 120,000 crore of investment in urban infrastructure over the next seven years;

(b) if so, Government's response thereto;

(c) the details of steps taken or proposed to be taken for providing adequate fund towards urban infrastructure development;

(d) whether Government's attention have been drawn towards demand of evolved municipal bonds as an option for financing urban infrastructure in the country; and

(e) if so, Government's view and reaction thereto?

† Original notice of the question was received in Hindi.